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December 10, 2002

Facsimile & Federal Express Delivery**202-219-3923**

Jeff S. Jordan, Supervisory Attorney

Central Enforcement Docket

Federal Elections Commissions

999 E Street, NW

Washington, DC 20463

RE: MUR 5336 - Yang Enterprises

Dear Mr. Jordan:

Please accept this letter as Yang Enterprises, Inc.'s (hereinafter Yang) response to the Complaint, Number MUR 5336, made by the Transport Workers Union of America, Local 525. Yang specifically denies that it violated any portion of the Federal Elections Act of 1971 or its implementing regulations.

As a threshold matter, the Commission does not have jurisdiction over this matter as it relates to Yang, since Yang is not a federal contractor as that term is defined by Section 115.1 of the regulations. In particular, Section 115.1(d) states:

The basic contractual relationship must be with the United States or any department or agency thereof. A person who contracts with a State or local jurisdiction or entity other than the United States or any department or agency thereof is not subject to this part, even if the State or local jurisdiction or entity is funded in whole or in part from funds appropriated by the Congress.

Yang performs work at Kennedy Space Center as a subcontractor to Space Gateway Support. Space Gateway Support (SGS) is the entity that contracts directly with the United States Government. Yang's contract is only with SGS and, as a result, Yang is not a covered contractor. However, even if Yang was a covered contractor, Yang's activities did not violate the law. The Union's complaint fails to set forth the facts of the matter fully and completely. The complaint arises out of a hotly contested election for Florida's Twenty-Fourth District for

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the United States House of Representatives located in Central Florida. This District includes Kennedy Space Center and Cape Canaveral Air Station.

As stated above, Yang, as a subcontractor, provides services on both government facilities. Tom Feeney was the Republican candidate and Harry Jacobs was the Democratic candidate. Mr. Feeney previously served as the Speaker of the House of Representatives for the State of Florida. Mr. Feeney is also a practicing attorney.¹ In his capacity as an attorney, Mr. Feeney served as Yang's general counsel, although he is not, and never has been an employee of Yang.

On or before October 4, 2002, various Florida television stations in Central Florida began broadcasting a television commercial or advertisement in support of the political campaign of Harry Jacobs ("Jacobs Advertisement") for Florida's Twenty-Fourth District for the United States House of Representatives.² The Jacobs Advertisement contained the following false statements regarding Yang:

"Maybe Tom Feeney shouldn't be in Congress. Tom Feeney is a lobbyist and Speaker of the House. Maybe that's alright. And maybe it's only a coincidence that Feeney's top client, Yang Enterprises, got an eight million dollar state contract. Maybe. And when a whistle blower said that Yang was cheating the state, maybe it's just fine that Feeney jumped in and the employee got fired. And now maybe it's okay that Tom Feeney has his campaign headquarters right in the Yang building. Maybe Tom Feeney shouldn't be in Congress."

Dr. Yang and Mrs. Yang were outraged by the accusations that had been made against their Company and wanted to act quickly to correct the record. Not only were the Yangs incensed about the false allegations, they were also very concerned that the allegations might affect the award of a contract on which they were submitting a bid,³ and most importantly, they were concerned that the accusations would cause their employees to suffer a great deal of anxiety over the future of their Company. The Yangs felt that they had to take immediate steps to clear their Company's good name and to try to stop Mr. Jacobs's libelous statements.

Thus, on October 4, 2002, they sent a memorandum to all of their employees addressing the accusations. (A copy is attached). Importantly, the memorandum did not encourage or solicit employees to contribute to Mr. Feeney's campaign, nor did it even mention Mr. Feeney's

¹ The Florida Legislature is a part-time legislature; thus, virtually all of its members have primary jobs which they perform when the Legislature is not in session.

² You can see the television version of the advertisement by going to www.jacobsforcongress.org and viewing video clip number 6.

³ The University Affiliated Spaceport Technical Development Contract (USTDC) was to be Yang's first prime contract if it was the successful bidder. Dr. and Mrs. Yang had invested a substantial amount of money in the development of the proposal. Unfortunately, Yang was not awarded the contract.

or sought to have a state employee fired in connection with any Yang contract. Mrs. Yang concluded the memorandum by urging her employees "to contact your local television stations...to demand an apology from them for running such outrageous political ads and to cease and desist from running such ads in the future." The memorandum simply represents a defense of the Company and an objection to being used by Mr. Jacobs in the advertisement. Contrary to the allegation made by the Union, no one from Yang or on behalf of Yang ever held a meeting, mandatory or otherwise, for the purpose of discussing the memorandum or the Jacobs Advertisement. However, even if such a meeting was held for the purpose of discussing the memorandum, the meeting would not have violated the Federal Elections Act of 1971 and would have been within Yang's First Amendment rights.

On this basis, I respectfully request that the Office of the General Counsel recommend that the Commission find no reason to believe that the complaint sets forth a possible violation of the Act and, accordingly, close the file.

If you have any questions, or require any additional information, please feel free to contact me.

Sincerely,



ALLEN J. McKENNA

AJM/cl
Enclosure
cc: Tyng-Lin Yang

Orlando:52046.1

YANG ENTERPRISES, INC.**Engineering & Computer Services**

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Phone (407) 365-7374
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October 4, 2002

Thomas C. Feeney, III
General Counsel

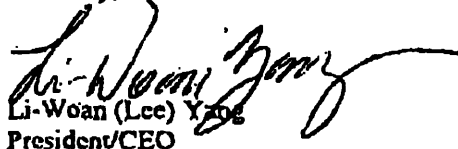
Dear Fellow Employees of Yang Enterprises, Inc. (YEI).

I wanted to take this opportunity to inform you that YEI is taking appropriate action to correct and then to eliminate the wrongful accusations being made against the YEI family by the Jacobs for Congress Campaign. Many of you have likely seen on your local television stations campaign ads where Mr. Jacobs accuses his opponent, Tom Feeney, of using undue political influence with the Florida state government to obtain contracts for YEI and also to get state employees fired for reporting such undue influence. These accusations are bold face lies and are unconscionably calculated, for political reasons, to harm innocent families and business people -- such as you and I. Negative political campaigns are bad enough in America today, but when they are calculated to harm innocent bystanders, it is too much. They indicate a gross and reckless disregard on the part of Mr. Jacobs and his political cronies of the truth about YEI and its longstanding and respected professional and personal competence in the business community. Mr. Feeney has never exercised political influence over any YEI contract and certainly has never sought to get a state employee fired in connection with any YEI contract.

I would urge you all to contact your local television stations, which are listed below, to demand an apology from them for running such outrageous political ads and to cease and desist from running these ads in the future.

Station	Phone	General Manager
WESH Channel 2	(407) 645-2222	Bill Bauman
WKMG Channel 6	(407) 291-6000	Henry Maldonado
WFTV Channel 9	(407) 841-9000	Bill Hoffman
WKCF Channel 18	(407) 645-1818	Wayne Spracklin
WOFL Channel 35	(407) 644-3535	Stan Knott

Sincerely,


Li-Woan (Lee) Yang
President/CEO

A Total Engineering and Computer Solution Company